



# A Message from Governor John Engler

August 2002

To the Citizens of Michigan:

As the first Michigan governor in more than 50 years to have grown up on a farm, I have a deep appreciation of our state's agricultural traditions and heritage. Agriculture in the United States has changed more in the last quarter century than in any other time period since the industrial revolution, and those changes are reflected all across our state.

Changes in the international marketplace and dramatic breakthroughs in technology, along with increased understanding of food safety issues and growing awareness of plant and animal diseases, have brought a number of challenges and opportunities to the agriculture industry and the Michigan Department of Agriculture (MDA). By focusing on key priorities, investing in the future and adopting a problem-solving attitude, MDA has accomplished our goal of keeping agriculture as a key component of Michigan's future.

MDA's mission is to serve, promote and protect the food, agricultural, environmental and economic interests of Michigan's people. To achieve this ambitious goal, the department has established partnerships with interested stakeholders to ensure responsiveness to customer needs and to identify and work on solutions to emerging issues. These innovative partnerships among industry, consumer, university, and other interest groups have improved communications and successfully resolved many concerns facing Michigan's agriculture industry.

Michigan is a national leader in producing and processing a wide array of agricultural products. To support this critical industry, MDA has targeted four key priorities:

- **Ensuring a Safe Food Supply.** Whether through the Food Safety Alliance, Project SAFE, or the Apple Cider Advisory Committee, working collaboratively with farmers, processors, retailers, customers, and local public health departments has been an essential part of making Michigan a leader in food safety, from the farm gate to the dinner plate.
- **Supporting and Promoting Michigan's Agriculture Industry.** Promoting agricultural diversity; working to increase food processing to add value to farmers' crops; helping Michigan producers export agriculture products; and aggressively testing to prevent, or identify and eradicate, plant and animal diseases have all required strong partnerships with diverse groups of stakeholders. These efforts, along with a significant reduction of the tax burden on farmland, have been directed at the best farmland preservation tool – profitability.

- **Promoting Environmental Stewardship.** Michigan's innovative, comprehensive, and results-driven environmental programs have been successful because of farmer and industry participation. Whether creating the strongest right to farm law in the nation or developing and implementing initiatives like the Michigan Agriculture Environmental Assurance Program or the Michigan Groundwater Stewardship Program, Michigan has been successful in protecting and enhancing the environment by creating a collaborative, problem-solving mindset that is performance driven instead of a top-down bureaucratic approach.
- **Supporting Economic Fairness in the Marketplace.** Protecting consumers and producers from economic deception in weights and measures, gasoline, food, and agricultural products, as well as providing quality assurance and analytical laboratory testing across an incredibly diverse spectrum is a critical component of ensuring consumer confidence in Michigan food and agriculture industries.

I am very proud of the work that MDA has done to enhance the strength and profitability of Michigan's farms and agriculture industry. We have also moved aggressively and quickly to get federal assistance when natural disasters wreaked havoc on our crops. The end result is a food safety system that is second to none and an industry that continues to be one of the most important sectors of our state economy.

Sincerely,

A handwritten signature in black ink, reading "John Engler". The signature is fluid and cursive, with the first name "John" being more prominent than the last name "Engler".

John Engler  
Governor

# Michigan Agriculture Ensuring Food Safety

## One Agency Responsible for Monitoring Food Safety

Governor Engler and the Michigan Department of Agriculture enhanced the state's commitment to providing a safe food supply and strengthened our tradition of bringing safe, high quality, wholesome food products from the farm gate to the consumer plate. In fact, in 1996, Michigan became one of only two states to have the entire food chain – from production through processing and into retail – under one regulatory agency.

## Modernizing Michigan's Food and Dairy Laws

In 2000, Governor Engler signed comprehensive legislation updating Michigan's food safety laws for the first time in more than three decades.

This legislation modernized, standardized and consolidated food laws, while adopting the federal Food and Drug Administration's (FDA) 1999 Food Code as a uniform regulatory standard for retail food establishments, including restaurants and grocery stores.

Following up on the Food Law, Governor Engler signed into law a companion overhaul of the state's dairy laws in 2001.



## Michigan Food Safety Alliance



MDA led the creation of the Michigan Food Safety Alliance in 1997 after the state experienced several foodborne illness outbreaks. It coincided with a food safety awareness campaign and the opening of Michigan State University's National Food Safety and Toxicology Center. This innovative alliance, chaired by MDA, brings together Michigan's food safety partners to share information and discuss major public policy issues related to improving and maintaining a safe food supply for Michigan residents. The alliance works to prepare the state's regulatory, regulated and academic communities for a continually evolving food system.

Targeted issues have included bioterrorism and security, bovine tuberculosis (TB), irradiation, and revamping Michigan's food laws, among others. Alliance partners include consumers, state and federal agencies, legislators, university experts, and industry representatives, including producers, processors, and retailers.

## Project SAFE Targets Food Safety

MDA, in coordination with the Michigan Department of Community Health (MDCH) and local health departments, has collectively developed a response plan for food-related emergencies – Project S.A.F.E. (Special Actions for Food Emergencies). This plan details how the agencies will work closely together to identify incidents early and initiate control measures promptly. MDA has also developed a resource manual and protocol for foodborne illness investigations in collaboration with MDCH and the Michigan Association for Local Public Health.



## Michigan Apple Cider Advisory Committee

This committee is just one example of Michigan's leadership in food safety issues. Working closely with the apple industry, state cider makers and federal and university partners, MDA developed a set of Good Manufacturing Practices (GMPs) for producing Michigan apple cider.

These GMPs have both mandated requirements and recommended practices and are the most stringent in the nation to protect public health and promote confidence in the safety of Michigan's apple cider. They are a model for other states and countries to follow and have become the cider industry standard.

## Protecting Michigan's Food Supply

After September 11, MDA reviewed its processes and procedures to help ensure the department is taking the necessary steps to prepare for and minimize potential terrorist attacks on the state's food supply and other resources.

Ensuring aggressive and comprehensive surveillance and inspection systems, effective consumer and industry education and communication, appropriate scientific and laboratory support, and well-organized emergency preparedness are key to this effort.

The department has also worked with many segments of Michigan's food and agriculture industry to remind them about the proactive, comprehensive and common sense precautions they can take or update to help minimize possible biological or chemical terrorism risks in Michigan.





# More Markets at Home and Abroad Making Michigan a National Leader

## Expanding Markets and Creating Value-Added Opportunities

Governor Engler successfully harnessed Michigan's agricultural diversity to enhance value-added agricultural processing endeavors, while developing and expanding both domestic and overseas markets for Michigan-grown or processed commodities. Michigan has been recognized as a national leader in expanding markets for the state's agricultural industry.

### ***Progress Report:*** Michigan Farm Bureau



WAYNE WOOD  
*President*  
Michigan Farm Bureau

Michigan has taken some enormous steps toward protecting public health and promoting confidence in the safety of Michigan's agricultural resources during Governor Engler's three terms in office. He has proposed measures that have not only maintained but also enhanced the quality and safety of the food supply that is available throughout our great state. Wayne Wood, president of Michigan Farm Bureau, has been working right along side Governor Engler to guarantee the safety of Michigan's food supply.

Wood has witnessed the vast changes that have taken place especially in the area of plant and animal disease testing throughout Michigan, noting, "Michigan's livestock industry is 'ahead of the curve' in dealing with bovine TB."

The Bovine TB Eradication Project has all been made possible due to the cooperative effort between the livestock industry, the state departments and Michigan State University. "Ultimately, the TB Eradication project has made Michigan a leader with a proven and tested structure for disease response," Wood says.

Wood said he is thankful to Governor Engler for stepping up and providing the leadership necessary to enhance the future of family farms, noting "the Animal Initiative, Project GREEN, Animal Health Diagnostic Lab, Proposal A, and the creation of the Agriculture Preservation Fund Board are just a few of the successes of his administration. Governor Engler's leadership, as we work through this TB challenge, is what our industry needed. He has led the Michigan Department of Agriculture to again be recognized as a friend of agriculture."

## Creating Office of Agriculture Development

MDA reorganized in 1997 and created the Office of Agriculture Development to put greater focus and effort on attracting and maintaining food processors, building new markets, and exporting more of Michigan's commodities.

## Renaissance Zones Create Growth Opportunities

Building on the outstanding success of Michigan's Renaissance Zones program, the Governor signed legislation in 2000 authorizing the creation of up to 10 Agricultural Processing Renaissance Zones specifically targeted toward agriculture and food processing. MDA and the Michigan Economic Development Corporation (MEDC) are working in partnership to use this incentive to expand or retain food and agriculture processors in Michigan and to bring new processors and jobs to the state. Also, MDA's assistance was critical in getting Lake County named one of the first federal Rural Enterprise Communities.

## Exporting Michigan's Bounty

Michigan has also seen significant developments in the promotion of state-grown or processed commodities and the strong encouragement of exports. For example, Michigan has achieved considerable success in exporting dry beans to Mexico, apples to Brazil, blueberries to Canada, and in helping Michigan food processors promote their products at national and international food trade shows. As a result of the participation in the Branded Market Access program, Michigan food processors reported increasing exports by more than \$6 million. Michigan has also greatly expanded its role and presence in MIATCO (Midwest Association of Trade and Commerce Officials).



## Creating New and Niche Markets

The Engler administration has played a critical role in encouraging the development and growth of niche markets such as organics, the production of cranberries, and the expansion of the aquaculture and privately-owned cervid (deer and elk) industries. Governor Engler signed laws to clarify regulation of aquaculture and cervids and to create truth-in-labeling for organic products. The number of wineries has more than doubled since 1991, and Michigan's wines and fruit brandies have won numerous national and international awards.

## Helping to Keep and Create Processing Industry Jobs

Governor Engler has supported state technical and financial assistance for the processing of ethanol, turkeys and sugar. Other value-added processing initiatives include Packerland Packing's investment in Plainwell, Zeeland's Soybean Processing plant, the Thumb Oilseed Producers Cooperative, American Soy Products in Saline, Gray and Company's sweet cherry processing plant in Hart, keeping Yoplait's plant in Reed City, and Cherry Central's dried fruit processing, among others. When Michigan's only thoroughbred horse racing track announced it was closing in 1998, assistance from the Governor and MDA helped keep thoroughbred racing in the state by facilitating the opening of Great Lakes Downs in Muskegon. Governor Engler also signed into law the Julian-Stille Value Added Agriculture Development Act, which created a fund for development projects.

### TACKLING TOUGH ISSUES EVERY YEAR

- 1991** Harvest Gathering created; Clean Sweep begun.
- 1992** Pesticide Pollution Initiative expanded; Meat and Bottled Water laws signed.
- 1993** Groundwater Stewardship program begun; Animal Agriculture Initiative.
- 1994** Proposal A; Farmland and Agriculture Development Task Force Report.
- 1995** Horse Racing Law revision; methyl parathion investigation in Detroit.
- 1996** Project GREEN; Metrology Lab; MDA Web site launched; Alternative Fuels Study.
- 1997** Food Safety Alliance created; Dairy Super pool pricing issue.
- 1998** Bovine TB discovered in cattle; Pollution Prevention Strategy for Michigan Agriculture plan released.
- 1999** Right to Farm law strengthened; Select Michigan marketing program unveiled.
- 2000** Agriculture Ren. Zones; Food Law modernized; CREP signed; MAEAP created.
- 2001** Animal Health Diagnostic Lab begun; dairy laws overhauled.
- 2002** Grain Dealers Act revised.

# ***Progress Report:***

## **Michigan Cherry Marketing Institute**

**PHILIP J. KORSON**

*President*

Michigan Cherry Marketing Institute

Philip Korson is very pleased with the great strides that Governor Engler has made in expanding Michigan's export development along with his superior leadership in the development of Project GREEN (Generating Research and Extension to meet Environmental and Economic Needs). Korson says "Governor Engler's leadership and vision for Michigan agriculture has been outstanding. He has always been there for us and has worked to keep Michigan farmers competitive in the U.S. and the world market."



Due to Governor Engler's direction, Michigan has been able to advance as the premium cherry producer in the world market. This is all a direct effect of Governor Engler's push for increased funding in the area of export market development. Korson adds, "These increased funds have helped Michigan growers leverage their own resources and partner with the processors to expand the market for Michigan cherries in Europe, making Michigan the premium cherry producer."

Project GREEN has played a vital role in advancing research for Michigan's plant-based agriculture industry, and Korson has been a major contributor since its inception. "Project GREEN has been a fantastic new opportunity for Michigan's plant agriculture, state government and Michigan State University to ensure a viable agriculture industry well into the future," Korson said.

He also notes that Michigan will continue to reap the benefits from Project GREEN and that the innovative research being conducted will continue to play vitally important roles in expanding markets and improving food safety throughout Michigan. "Project GREEN would not have happened without a strong governor who is committed to Michigan agriculture," Korson concluded. "This revolutionary new initiative is a model for other states as well as a way to bring people together to find solutions to the challenges of the future."



# Stepping Up to the Challenge Keeping Agriculture Healthy

## Eradicating Bovine Tuberculosis

Recognizing the potential threat that bovine TB in Michigan posed to animal and human health and the economic impact on Michigan's livestock industry, Governor Engler issued an executive order instructing state agency coordination and creating the Bovine TB Eradication Project. Since that time, MDA, working with the Michigan departments of Natural Resources and Community Health, the U.S. Department of Agriculture and Michigan State University, has achieved considerable success in efforts to eradicate bovine TB.



Governor Engler, understanding the potential loss of markets and economic hardship facing Michigan farmers, supported increasing indemnification to 100 percent for animals sent for TB testing. Further, the Governor and the legislature have committed significant resources to cover testing expenses and the overall eradication effort. To date, MDA and private veterinarians across the state have tested nearly 800,000 cattle, goats, bison and privately owned cervids. In a particular noteworthy accomplishment, federal, state and private

veterinarians tested all of the state's approximately 3,200 dairy herds – over 500,000 animals – statewide and found no disease outside of the counties of Alcona, Alpena, Montmorency, Presque Isle and Emmet. In addition, DNR has examined more than 88,000 white tailed deer, 398 of which have been identified as positive with the disease.

As a result of this comprehensive and aggressive testing of livestock and white tailed deer statewide, Michigan has been able to confirm that bovine TB is concentrated in northeast lower Michigan and to focus resources accordingly. In addition, these efforts have laid the groundwork for the state to request Split State Status from the federal government that would allow most of Michigan to regain TB-free status from the federal government as soon as possible. Working within this cooperative framework, this comprehensive strategy helped achieve substantial changes in both wildlife management and agriculture practices by eliminating large scale supplemental feeding of deer and increasing awareness on issues including wildlife habitat management and biosecurity on farms.

## Success Fighting Other Threats to Agriculture

Aggressive testing and monitoring brought about the eradication of the hog disease pseudorabies in 2000, allowing Michigan's hogs to be more easily exported to other states and Canada. Continuing efforts are under way to eliminate scrapies from sheep. MDA has also expended considerable time, resources and effort on a number of animal and plant diseases and pests, all of which pose serious threats to sectors of Michigan's economy, and many of which can affect human health.



Reliance on laboratory capabilities and a knowledgeable, well-trained staff have been critical. In particular, support from the Governor's office has been key to the department's ability to respond effectively to threats that include the emerald ash borer, gypsy moth, plum pox, avian influenza, equine infectious anemia, eastern equine encephalitis, bovine spongiform encephalopathy, West Nile virus, fire blight, chronic wasting disease, wheat scab, potato late blight, pine shoot beetle, soybean cyst nematode and Lyme disease.

## Agriculture Labor Alliance Helps Workers

Recognizing the importance of labor, particularly of migrant labor, to the harvesting and processing of Michigan's agricultural commodities, MDA formed the Agriculture Labor Alliance to identify and resolve labor issues. Since 1991, the Administration has invested \$3.8 million to leverage \$10.9 million of private funds for improving housing and living conditions for migrant labor workers.

## Sharing Michigan's Bounty

In 1991, Governor and Michelle Engler and Bill and Cynthia Schuette started the Michigan



Harvest Gathering to raise funds and collect food for distribution to those in need through Michigan's food bank network. Since then, this program has generated more than \$3 million and nearly 4.8 million pounds of food for low-income families. Governor Engler has also supported a tremendous increase in state funding to the food bank network, most of which is used to help deliver surplus Michigan commodities that might otherwise go to waste.

# Technology & Research Focus

## Investing in the Future of Agriculture

### Animal Agriculture Initiative

In the decade prior to the Engler administration, Michigan's animal agriculture industry had suffered from a lack of support for technology and research. The Governor recognized this and invested \$74 million in the Michigan Animal Agriculture Initiative. This investment resulted in a revitalized animal agriculture industry, supporting teaching and research on animal science issues, substantial renovations to labs and classrooms at Michigan State University, and the building of the livestock pavilion.

### Project GREEN Advances Critical Plant Research

Governor Engler championed Project GREEN (Generating Research and Extension to meet Environmental and Economic Needs) to advance research for Michigan's plant-based agriculture industry. Plant-based agriculture, including fruit, vegetables, field crops, floriculture, turf, and ornamentals, contributed more than \$21 billion to the state's economy in 2000, and Project GREEN's innovative research and education programs have been critical to expanding markets, improving food safety, developing new processing techniques, and decreasing the use of chemical pesticides. Funding for Project GREEN has become a component of the annual budget for Michigan State University.

### Training Tomorrow's Agriculture Leaders

Recognizing the need to train tomorrow's leaders, Governor Engler supported Vision 2000, an endowment to fund the leadership and educational efforts of the Future Farmers of America (FFA), as well as a specialty license plate to fund ongoing agriculture education in Michigan.



Governor Engler's personal support for youth livestock education has also resulted in record sales at the Michigan State Fair. In particular, the Governor's support was instrumental in a renovation and expansion project of the 4-H Kettunen Center.

MDA has also been a key supporter of the Michigan Envirothon, a nationwide program to give high school students a better understanding and appreciation of the environment. In 1995, MDA began a partnership with Lansing's Walnut Street School to increase urban awareness of agriculture in which department employees volunteer with students, raise funds for special projects, and help organize agriculture-related trips.



## Investing in Agricultural Science

The Diagnostic Center for Population and Animal Health, located on the campus of Michigan State University, is a long-term investment in Michigan agriculture. This \$58 million state-of-the-art facility, slated to open in the fall of 2003, will be one of the largest, most sophisticated and comprehensive veterinary diagnostic facilities in the nation and will be an integral component of a plan to ensure the long-term viability of Michigan's food, livestock, and wildlife industries. Governor Engler was also instrumental in helping Michigan State University become the home of the National Food Safety and Toxicology Center.

## Geagley Laboratory Renovation

MDA's high-tech Geagley Laboratory plays a key role in ensuring food safety by routinely sampling and testing both raw agricultural commodities and finished food products for pesticide residues and foodborne pathogens.



Thanks to the long-term foresight of the Governor and Legislature, the laboratory has been able to undergo a multi-year, comprehensive renovation that was completed this year. This renovation has improved the safety in the lab by providing increased ventilation and fume removal systems, allowing for analysis of pathogens and infectious agents such as bovine TB, and increasing the capability of testing for pesticides and microbes in the food supply.

In 1995, the Geagley Laboratory became the second drug-testing lab for animals in the world to be accredited by the American Association of Laboratory Accreditation.

## State-of-the-Art Consumer Protection

MDA is also a consumer protection agency that assures the quality and quantity of gasoline sold to consumers. In addition, MDA is responsible for inspecting, regulating, and enforcing laws related to weights and measures. Governor Engler supported a \$2.2 million investment in improving the state's laboratory capabilities, creating the Heffron Metrology Lab, the only facility in Michigan certified by the National Institute of Standards and Technology.

This state-of-the-art facility maintains Michigan's official standards of mass, length, volume and temperature; ensuring their continued traceability to national standards; ensuring the accuracy of field standards used by state officials and service companies; and providing precision calibration services to Michigan's industries.



# Pollution Prevention Focus Enhancing the Environment

## Michigan Agriculture Environmental Assurance Program

The Michigan Agriculture Environmental Assurance Program (MAEAP) is a top result of the Governor-driven “Pollution Prevention Strategy for Michigan Agriculture.” Unveiled in 1998, MAEAP is a proactive, comprehensive program to help ensure Michigan farmers are complying with state and federal environmental regulations that were developed in conjunction with a diverse coalition of agricultural producers, state and federal agencies, and conservation and environmental interests. Designed in three phases, MAEAP assists farmers by providing education, on-farm technical assistance, environmental risk assessments and action plans that are site and farm specific.



The cornerstone of the program entails completing a voluntary and confidential on-farm risk assessment and developing and implementing a customized, certified Comprehensive Nutrient Management Plan (CNMP) for managing manure, field crop nutrients and storm water runoff. MDA will conduct a site visit, upon producer request, to verify compliance with

environmental regulations and implementation of the CNMP. When these requirements are met, producers will receive a certificate of environmental assurance.

To remain a verified MAEAP participant, farm inspections must be conducted at least every three years. The program has recently verified its first farms across the state that vary in species, size and management. In addition, the program has been rolled out to thousands of producers statewide and is on its way to achieving the first goal of having 85 percent of all livestock production participating by 2005. Though targeting livestock production first, MAEAP also plans to address farmstead and cropping systems.

## Protecting and Enhancing Water Quality

Governor Engler signed a unique partnership agreement with the federal government in the fall of 2000 to implement the Conservation Reserve Enhancement Program (CREP). CREP encourages farmers to implement environmentally sound practices (field windbreaks, grass filter strips, riparian buffers, etc.) on qualified agricultural lands to improve water quality and wildlife habitat and is a critical component of Michigan’s comprehensive and long-term water quality monitoring strategy.

Under CREP, eligible Michigan agricultural producers and landowners enter into 15-year contracts



with the U.S. Department of Agriculture. In return, participants receive annual rental payments and cost-share assistance to establish and maintain approved conservation practices. Up to 80,000 acres of eligible land can be enrolled in Michigan's three initial CREP areas: Lake Macatawa, River Raisin and Saginaw Bay watersheds. Since the program began, more than 60,000 acres have already been enrolled or committed.

## Innovative Approach to Groundwater Protection

The Michigan Groundwater Stewardship Program (MGSP) was signed into law by Governor Engler in November 1993. Reauthorized in 2000, MGSP has been nationally recognized as one of the most effective and efficient groundwater protection programs in the country. MGSP coordinates local, state, and federal resources to help individuals reduce risks to groundwater associated with their pesticide and nitrogen fertilizer use practices.

Two key components of the program are Clean Sweep and Pesticide Container Recycling, programs that work jointly to collect and properly dispose of outdated pesticides that may cause potential harm to the environment and to recycle containers that burden landfills. MGSP, in cooperation with county and local units of government, has established 14 permanent Clean Sweep sites located throughout the state. Nearly half a million pounds of pesticides have been removed from circulation and properly disposed of at these sites, and more than 360,000 pounds of containers have been properly recycled since the program began. Because of MGSP, nearly 11,000 farmers have received technical assistance to identify and correct potential risks to groundwater from pesticides and nitrogen fertilizers. In addition, nearly 5,400 abandoned wells have been properly decommissioned, and best management practices for handling nitrogen were voluntarily implemented on over 98,000 acres.

## Outreach Efforts Enhance Environmental Protection

MDA created Farm-A-Syst, a voluntary and confidential on-farm risk assessment tool to identify and then minimize potential risks to groundwater. Because of its success, MDA has created Home-A-Syst to help homeowners properly dispose of pesticides and fertilizers; Turf-A-Syst to help golf courses and other turf areas reduce potential groundwater risks; and Fair-A-Syst to work with local fairs on their groundwater issues.

Michigan Recycles Aerosols, a campaign promoting steel recycling, was named by Renew America as an "environmental success story" and won the Silver Anvil Award from the Public Relations Society of America.

In 1995, MDA worked with the Environmental Protection Agency (EPA) on an expansive investigation of misuse of a pesticide, Methyl parathion, in Detroit area homes that resulted in decontaminated homes and a safer environment. MDA, in conjunction with the EPA, has developed an urban education and outreach program to educate urban consumers on the safe and effective use of pesticides.

Working with other state agencies, MSU, and the dairy industry, MDA also implemented a program to replace mercury measuring devices commonly used on dairy farms with newer, non-mercury devices and to properly dispose of the devices.

# Preserving Farmland Protecting Our Open Green Spaces

## Proposal A, the Inheritance Tax, and the “Pop-Up” Tax

Michigan farmers used to pay the second highest school property taxes in the nation – an average 36 mills – and were selling the family farm just to pay their inheritance taxes. Thanks to Proposal A, farmland is now taxed at 6 mills and the results of this tax cut have been recognized as a key contributor to keeping farmers working their land. Family farms can be easily passed down from one generation to the next as a result of the repeal of the state’s onerous inheritance tax. In addition, the Governor signed legislation in June 2000 that maintained the property tax assessment cap on agricultural land transferred by inheritance or sale, provided the land remains in agricultural use. This helps ensure that farmers will be able to pass down the family farm to the next generation without being hit by an unwieldy jump in property taxes. This reform also helps slow development and preserves valuable Michigan farmland by retaining the “pop up” on tax assessment, if the farmland is converted for development use.

## The Farmland and Open Space Preservation Act

Commonly referred to as “PA 116,” this legislation preserves farmland by enabling farmers to enter into a Development Rights Agreement with the state that ensures the enrolled land remains in agricultural use for a minimum of 10 years and is not developed for any non-agricultural purpose. In return, farmers receive income tax benefits and their enrolled land is exempt from special assessments like sanitary sewer, water, lights or non-farm drain projects.



When Proposal A significantly reduced property taxes for farmers and landowners, it also reduced a key incentive for farmers to participate in PA 116. Farmers enrolled in the program received a tax credit equal to any property taxes in excess of 7 percent of household income.

To increase farmer enrollment, the Governor signed legislation that changed the program’s threshold from 7 percent to 3.5 percent. This is a key incentive in preserving farmland and has significantly increased new enrollments and the renewal of existing agreements.

Currently, the state holds more than 50,000 farmland agreements, preserving more than 4.3 million acres of farmland – about 40 percent of Michigan’s agricultural production land. In fact, according to a 2001 report by the University of Wisconsin, Michigan leads the nation in the number of acres of protected open space.



# Purchase of Development Rights Offers New Tool to Protect Farms and Green Space

Since 1995, Michigan has been able to enter into Purchase of Development Rights (PDR) agreements. The PDR program offers an alternative method for protecting farmland by purchasing the development rights on selected parcels of land across the state. These development rights are purchased in perpetuity (ownership conveyed to the state) and an agricultural conservation easement is placed on the land, permanently restricting any non-agricultural development. PDR parcels are selected based on a scoring system and criteria, including farmland with a high degree of productive capacity, or farmland faced with strong development pressures, as developed by a committee of land use experts, and then approved by the MDA director and the Commission of Agriculture. Since the program began, Michigan has acquired 58 development rights easements protecting 13,900 acres at an investment of more than \$26 million.

## Agricultural Preservation Fund

To stay ahead of changing development and land use issues, Governor Engler created the Michigan Agricultural Preservation Fund, along with a seven-member board. The board is charged with establishing a program and criteria to provide grants to local units of government for the purchase of development rights and to assist with farmland preservation and land use issues.

### ***Progress Report:*** **Strengthening the Right to Farm**

Prior to Governor Engler taking office, nuisance lawsuits were a costly and growing burden to Michigan's family farms. Today, Michigan's Right to Farm law is one of the strongest in the country and serves as a national model. By following a series of scientifically-based Generally Accepted Agricultural Management Practices (GAAMPs), which are reviewed and updated annually, farmers receive protection from nuisance lawsuits. Right to Farm recognized the importance of striking a balance between strengthening a farmer's right to farm with promoting sound environmental stewardship.

Changes in agricultural practices and increased rural population density highlighted the need for an additional component of Right to Farm – the proper siting of animal agriculture facilities, based upon an area's population density and environmental conditions. To accomplish this, a scientific committee of experts, along with significant public input, developed a GAAMP for Site Selection and Odor Control at New and Expanding Livestock Production Facilities. In addition, the law was amended to establish requirements and timelines for responding to complaints to ensure complaints were investigated and resolved as quickly as possible.

Since 1991, MDA has responded to nearly 1,300 complaints, with an overwhelming majority resolved with full cooperation of the farmer and without regulatory action. Right to Farm is a key part of the state's overall pollution prevention strategy by identifying and resolving potential environmental problems on farms.